

## ► LIST OF BILATERAL PROJECTS

#	Project title	Sector	Total €	LAIF €
1	Sustainable Electrification and Renewable Energy National Programme in Nicaragua (PNESER)	Sustainable energy	308,800,000	7,200,000
2	LAIF Contribution to Phase 1 of the Integrated Sector Programme for human water and sanitation in Nicaragua: Improvement of drinking water supply and sanitation system in 19 cities (Phase 1 of the PISASH Programme)	Water supply & sanitation	252,300,000	50,750,000
<b>Total</b>			<b>561,100,000</b>	<b>57,950,000</b>

## ► LIST OF MULTI-LATERAL PROJECTS

#	Project title	Specific activities	Sector	Total €	LAIF €
1	Energy efficiency and renewable energy for SMEs in Central America	1. Technical Assistance for FI: Introduction of new loan products to enable clients to finance EE equipment and RE technologies. Beneficiary FIs: BANPRO, LAFISE, REDCAMIF; 4 energy audit for Casa Santa Lucia, Hielo Olito, Innova Industries and Pochi 3 energy projects	Support to SMEs	36,330,000	3,000,000
2	Entrepreneurial Development and promotion of micro, small and medium sized enterprises (MSMEs) in Central America	Consejo Nicaragüense de la Micro, Pequeña y Mediana Empresa (CONIMIPYME) - Strengthen the Nicaraguan MIPYME ecosystem" Creation of a EDCs in CONIMIPYME. Sara Lila Cordero (La Fábrica) - Strengthening of the EDCs La Fábrica Coworking and incubation of innovative entrepreneurs from Nicaragua.	Support to SMEs	54,200,000	3,952,000
3	LAIF contribution to the Geothermal Development Facility in Latin America Programme	Surface studies: San Jacinto-Tizate project (50MW) - Polaris Energy Nicaragua, S.A. (PENSA)	Sustainable energy	1,094,000,000	20,500,000
4	Dinamica II Initiative (New component —Seed Capital Risk Finance)	In process of being identified.	Support to SMEs	79,940,000	12,350,000
5	Geen SMEs Initiative for Central America - MIPYMES II	In process of being identified.	Support to SMEs	62,100,000	14,380,000

#	Project title	Specific activities	Sector	Total €	LAIF €
6	LAIF Contribution to the Project 'Promoting Climate Change Adaptation and Integrated Water Resources Management Investment in the Water Sector in Latin the Framework of the Spanish Cooperation Fund for Water and Sanitation (FCAS)	Study and survey of the III sub-basin El Borbollón in Managua (Nicaragua)	Water supply & sanitation	615,000,000	15,300,000
7	Eco Business Fund for SME Development in Latin America and the Caribbean	FI Beneficiary of the eco.business fund Lafise Bancentro ESMS: revision of the Bank's existing Environmental & Social (E&S) status and tools	Support to SMEs	295,550,000	16,410,000
<b>Total</b>				<b>2,656,180,000</b>	<b>117,112,000</b>

**PROJECT: Sustainable electrification and renewable energy national program (PNESER)**

**LEAD INSTITUTION:**

EIB

**PARTNERS:**

IDB

AECID

CABEI

EU-LAIF

**TOTAL COST:**

€ 308 800 000

**LAIF CONTRIBUTION:**

€ 7 200 000

**TYPES OF SUPPORT:**

Investment Grants

**DURATION PERIOD:**

Jul 2016 – Feb 2018

**CURRENT PROGRESS:**

Completed

**OBJECTIVE:**

The objective of the PNESER was to support the efforts of the Nicaraguan government to reduce poverty by promoting access to an efficient and sustainable electricity service to an important portion of the population, thus generating the conditions to advance in the diversification of the energy matrix and the mitigation and adaptation to climate change.

The program supported 7 components:

- 1) Rural electrification through grid extension;
- 2) Normalization of electricity service in human settlements;
- 3) Electricity expansion in isolated areas through renewable energy;
- 4) Pre-investment for renewable energy projects;
- 5) Energy efficiency programs;
- 6) Strengthening of the transmission system in rural areas;
- 7) Sustainability of isolated systems under Empresa Nicaragüense de Electricidad (ENEL)'s responsibility.

**RESULTS:**

- Construction substation Malpaisillo (physical progress 99% and financial progress 90%) and the transmission lines associated reinforcements (physical progress 100% and financial progress 45.22%).
- Construction substation La Virgen (physical progress 84% and financial progress 82.44%) and the transmission lines associated reinforcements (physical progress 41% and financial progress 33.27%).
- Construction substation Terrabona (physical progress 100% and financial progress 97.55%) and the transmission lines associated reinforcements (physical progress 100% and financial progress 99%).
- Increased of the electricity service coverage in the country (92% in 2017).
- Proportion of electricity generation from renewable sources (67.9% in 2017).
- Reduction of consumption by energy efficiency programmes (165 GWh/year in 2017).
- Reduction of energy losses in settlements (2.21% in 2017).
- Increased service reliability due to transmission system reinforcements (93.7% in 2017).

**PROJECT:** **Integrated Sector Program for Human Water and Sanitation in Nicaragua (PISASH)**



**LEAD INSTITUTION:**  
AECID

**PARTNERS:**  
EIB  
CABEI  
EU-LAIF

**TOTAL COST:**  
€ 252 300 000

**LAIF CONTRIBUTION:**  
€ 50 750 000

**TYPES OF SUPPORT:**  
Investment Grants  
Technical Assistance

**DURATION PERIOD:**  
Dec 2012 – Dec 2020

**CURRENT PROGRESS:**  
Ongoing

**OBJECTIVE:**

The PISASH Program is the first phase of the PROGRAMA VIDA (LIFE PROGRAM) in urban areas. The program will enhance the effective management of water resources and will provide capacity building to Empresa Nicaragüense de Acueductos y Alcantarillados Sanitarios (ENACAL) in its investment program. LAIF will fund the construction works in the cities of Santo Tomás, Acoyapa, Bilwi and Bluefields, complementing AECID funds in the coverage of water and sanitation needs of these cities.

**RESULTS:**

- Drinking water storage systems have been improved in 15 cities.
- Sewer system and residual water treatment have been improved in 13 cities.
- Improvement in the capabilities of ENACAL Central and its Local Branches in management, operation and maintenance of water and sewerage systems.
- ENACAL's Business Sustainability Plan is operationally integrated.
- Feasibility studies and final designs were carried out for 17 additional cities.



**PROJECT: DINAMICA II: Seed Capital Risk Financing in Central America and Dominican Republic**



**COUNTRIES:**

Guatemala, El Salvador,  
Honduras, Nicaragua, Costa  
Rica, Panamá.

**LEAD INSTITUTION:**

KfW

**PARTNERS:**

BCIE

EU-LAIF

**TOTAL COST:**

€ 74 940 000

**LAIF CONTRIBUTION:**

€ 12 350 000

**TYPES OF SUPPORT:**

Investment grants  
Technical assistance

**DURATION PERIOD:**

Dec 2018 – Dec 2025

**CURRENT PROGRESS:**

Ongoing

**SPECIFIC ACTIVITIES IN THE COUNTRY:**

- In process of being identified.

**DESCRIPTION:**

The envisaged Seed Capital Risk Financing component addresses the bottlenecks identified in the Central American region, specifically regarding the accessibility of new and innovative enterprises to finance solutions in order to start their operations, be consolidated and grow.

By doing this, the new component contributes to developing entrepreneurship and innovation and is therefore an ideal complement to the DINAMICA initiative.

**EXPECTED RESULTS:**

DINAMICA II, the Seed Capital Risk Financing component of the DINAMICA initiative, is expected to benefit at least 800 MSMEs, of which 480 are new enterprises, 100 of them led by women.

**PROJECT:**

**Green MSMEs Initiative for in Central America – MIPYMES II**

**COUNTRIES:**

Guatemala, El Salvador,  
Honduras, Nicaragua y  
Costa Rica

**LEAD INSTITUTION:**

KfW

**PARTNERS:**

CABEI

EU-LAIF

**TOTAL COST:**

€ 62 100 000

**LAIF CONTRIBUTION:**

€ 14 380 000

**TYPES OF SUPPORT:**

Investment grants  
Technical assistance

**DURATION PERIOD:**

**CURRENT PROGRESS:**

Ongoing

**SPECIFIC ACTIVITIES IN THE COUNTRY:**

- In process of being identified.

**DESCRIPTION:**

- Promote the financing of environmental investments in order to boost the development energy efficiency and renewable energy sources by developing the necessary infrastructure for the conversion, transportation and storage of energy.
- Non-reimbursable environmental investments such as technical assistance to financial institutions and financing of energy studies that are in line with the needs of micro, small and medium enterprises (MSMEs) in Central America and Panama.

**EXPECTED RESULTS:**

- MSMEs will have the opportunity to reduce their production costs and thus become more competitive, while helping to mitigate climate change and improving public perception by presenting themselves as socially and environmentally responsible companies.

**PROJECT:**

**Eco Business fund for SME Development in Latin America and the Caribbean**



**COUNTRIES:**

Colombia, Costa Rica,  
Ecuador, Honduras,  
Nicaragua, Peru

**LEAD INSTITUTION:**

KfW

**PARTNERS:**

EU-LAIF

**TOTAL COST:**

€ 295 550 000

**LAIF CONTRIBUTION:**

€ 16 410 000

**TYPES OF SUPPORT:**

Financial Instruments  
Technical Assistance

**DURATION PERIOD:**

Dec 2016 – Dec 2020

**CURRENT PROGRESS:**

Ongoing

**SPECIFIC ACTIVITIES IN THE COUNTRY:**

- FI Beneficiary of the eco.business fund identified.
- Lafise Bancentro ESMS: revision of the Bank's existing Environmental & Social (E&S) status and tools.

**DESCRIPTION:**

The eco.business Fund is a joint initiative of investors intent on supporting the promotion of business and consumption practices that contribute to biodiversity conservation, the sustainable use of natural resources, climate change mitigation and adaptation to its impacts. In providing financing to the fund's target group for investing in activities that conserve nature and foster biodiversity, the eco.business Fund seeks investments that yield both financial and environmental returns. The financing can be provided directly or through local financial institutions. In addition, final beneficiaries and local lending institutions can count on high impact technical assistance provided by the eco.business Development Facility.

**EXPECTED RESULTS:**

- Protection of ecologically valuable 1.2 M hectares.
- 540 companies financed.
- 318 Million Euro disbursed.
- 2.36 Million tCO<sub>2</sub> e/yr relative (net) greenhouse gas emissions impact.



**PROJECT: Energy efficiency and renewable energy for SMEs in Central America – MIPYMES I**

**COUNTRIES:**

Costa Rica, Honduras,  
Nicaragua

**LEAD INSTITUTION:**

KfW

**PARTNERS:**

CABEI

EU-LAIF

**TOTAL COST:**

€ 36 630 000

**LAIF CONTRIBUTION:**

€ 3 000 000

**TYPES OF SUPPORT:**

Technical assistance

**DURATION PERIOD:**

Nov 2010 – Dec 2018

**CURRENT PROGRESS:**

Completed

**SPECIFIC ACTIVITIES IN THE COUNTRY:**

- Technical Assistance for FI: Introduction of new loan products to enable clients to finance EE equipment and RE technologies.
- Four energy audits for Casa Santa Lucia, Hielo Olito, Innova Industries and Pochi.
- Three energy projects.

**DESCRIPTION:**

The overall objective of the Energy Efficiency and Renewable Energy Program for SMEs in Central America was to contribute to the protection of the climate and the environment. The Program aimed at providing efficient and sustainable access to financing products for environmental investments which correspond to the needs of SMEs in Central America. The Program had two main components:

- 1) Financing of environmental investments – Provision of funds by the Program Executing Agency to local financial institutions that channel resources to SMEs for energy efficiency (EE) and renewable energy projects.
- 2) Technical Assistance, studies and promotional activities – Including technical assistance for financial institutions, energy audits of SMEs and feasibility studies of small renewable energy projects; information material and promotional events.

**RESULTS:**

- Technical Assistance to Financial Institutions: The technical assistance helped the financial institutions to introduce a new loan product into its internal procedures to enable clients to finance energy efficiency equipment and renewable energy technologies.
- Financing Energy Analysis (energy audits & feasibility studies): The financing of energy audits helped to determine the potential energy savings and the necessary investments required to realize said potential.
- Promotion of the initiative: The information material and the events provided additional information promoting awareness among FIs and SMEs about the necessity and the benefits of investing in environmental measures.



**PROJECT:** Entrepreneurial Development and promotion of micro, small and medium sized enterprises in Central America (DINAMICA I)



**COUNTRIES:**

Costa Rica, El Salvador,  
Honduras, Nicaragua

**LEAD INSTITUTION:**

KfW

**PARTNERS:**

CABEI

EU-LAIF

**TOTAL COST:**

€ 54 200 000

**LAIF CONTRIBUTION:**

€ 3 952 000

**TYPES OF SUPPORT:**

Technical assistance

**DURATION PERIOD:**

Sep 2015 – Sep 2019

**CURRENT PROGRESS:**

Completed

**SPECIFIC ACTIVITIES IN THE COUNTRY:**

- Universidad THOMAS MORE (UTM) - Strengthening the capacities of the Innovation, Entrepreneurship and Productivity Network.
- Consejo Nicaragüense de la Micro, Pequeña y Mediana Empresa (CONIMIPYME) - Strengthen the Nicaraguan MIPYME ecosystem" Creation of a EDCs in CONIMIPYME.
- Sara Lila Cordero (La Fábrica) - Strengthening of the EDCs La Fábrica Coworking and incubation of innovative entrepreneurs from Nicaragua.

**DESCRIPTION:**

DINAMICA focuses on promoting entrepreneurial and private sector development for employment and income generation in order to contribute to economic development and poverty reduction in Central America. More specifically, the project aims at:

Promoting the entrepreneurial environment in order to facilitate the creation of new and innovative enterprises;

Supporting financial sector development in order to provide adequate access to finance for MSMEs.

**RESULTS:**

- DINAMICA has supported more than 10 Entrepreneurial Development Centers, over 93 new and innovative enterprises, and 9 financial institutions..

## PROJECT:

## Geothermal Development Facility Latin America Program

### COUNTRIES:

Bolivia, Chile, Colombia,  
Ecuador, El Salvador,  
Honduras, Nicaragua, Peru

### LEAD INSTITUTION:

KfW

### PARTNERS:

AFD

BCIE

CAF

EIB

EU-LAIF

IDB

JICA

WBG

### TOTAL COST:

€ 1 094 000 000

### LAIF CONTRIBUTION:

€ 20 500 000

### TYPES OF SUPPORT:

Investment grants

Technical assistance

### DURATION PERIOD:

Dec 2014 – Dec 2026

### CURRENT PROGRESS:

Ongoing

### SPECIFIC ACTIVITIES IN THE COUNTRY:

- Surface studies: San Jacinto-Tizate project (50MW) - Polaris Energy Nicaragua, S.A. (PENSA).

### DESCRIPTION:

The Geothermal Development Facility for Latin America aims at overcoming existing barriers to the development of geothermal energy by providing: (i) a tailored Geothermal Risk Mitigation Fund in order to diminish geothermal resource risk during the exploratory drilling stage of the project; (ii) geothermal investment financing windows to deliver anchor financing for subsequent investments during the production drilling and construction stages; and (iii) a Technical Assistance Forum to offer a suitable venue for policy dialogue between donors and partner governments.

### EXPECTED RESULTS:

- 350 MW additional capacity from geothermal energy by 2024.
- 1.88 Million tCO<sub>2</sub> e/yr fewer relative (net) greenhouse gas emissions.
- 2.25M beneficiaries.

## PROJECT:

**Promoting Climate Change Adaptation and Integrated Water Resources Management Investment in the water sector in LA in the framework of the Spanish Cooperation Fund for Water and Sanitation (FCAS)**



## COUNTRIES:

Argentina, Bolivia, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Honduras, Nicaragua, Paraguay, Peru

## LEAD INSTITUTION:

AECID

## PARTNERS:

IDB

EU-LAIF

## TOTAL COST:

€ 615 000 000

## LAIF CONTRIBUTION:

€ 15 300 000

## TYPES OF SUPPORT:

Investment grants  
Technical assistance

## DURATION PERIOD:

Dec 2013 – Dec 2019

## CURRENT PROGRESS:

Ongoing

## SPECIFIC ACTIVITIES IN THE COUNTRY:

- Estudio y diseño Cauce El Borbollón Sub cuenca III de Managua.

## DESCRIPTION:

The LAIF contribution aims to improve water and sewerage infrastructures and contribute to reduce the risks of diseases caused by water management in the Latin American region through the development of various projects. These are grouped into two components: Component I, projects for Adaptation to Climate Change (ACC) and Component II, projects for the Integrated Management of Water Resources (GIRH).

The projects consist of the reinforcement of capacities associated with the programs, studies developed in the pre-investment phase to identify new investments in new actions, review of regulations and the development of methodologies, tools and manuals, which in turn will have an impact on future investments.

## EXPECTED RESULTS:

Support the inclusion of Adaptation to Climate Change measures (especially in relation to extreme events such as droughts and floods), both in policies and investments related to the water and sanitation sector; and to influence the development of policies and investments of the sector through the promotion of solutions adapted to the needs and capacities of the population.